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**ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana**

Financial Report

Year Ended June 30, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

11/12/08

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The Honorable Wayne Jones
St. John the Baptist Parish Sheriff
LaPlace, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. John the Baptist Parish Sheriff, as of and for the year ended June 30, 2008, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the St. John the Baptist Parish Sheriff's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the St. John the Baptist Parish Sheriff, as of June 30, 2008, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated September 25, 2008, on our consideration of the St. John the Baptist Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The required supplementary information on pages 28 through 32 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The St. John the Baptist Parish Sheriff has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
September 25, 2008

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Statement of Net Assets
June 30, 2008

ASSETS

Current assets:

| | |
|------------------------------------|------------------|
| Cash and interest-bearing deposits | \$ 4,923,475 |
| Accrued interest receivable | 1,616 |
| Due from other governmental units | 1,183,394 |
| Inventory | 5,462 |
| Prepaid items | 179,350 |
| Total current assets | <u>6,293,297</u> |

Noncurrent assets:

| | |
|-------------------------|------------------|
| Restricted cash | 167,036 |
| Capital assets, net | 6,338,868 |
| Total noncurrent assets | <u>6,505,904</u> |

| | |
|--------------|-------------------|
| Total assets | <u>12,799,201</u> |
|--------------|-------------------|

LIABILITIES

Current liabilities:

| | |
|--|------------------|
| Accounts, contracts and other payables | 656,061 |
| Claims payable | 427,488 |
| Due to others | 95,908 |
| Compensated absences payable | 343,536 |
| Capital lease payable | 182,635 |
| Bonds payable | 155,000 |
| Total current liabilities | <u>1,860,628</u> |

Noncurrent liabilities:

| | |
|------------------------------|------------------|
| Capital lease payable | 1,053,706 |
| Bonds payable | 395,000 |
| Total noncurrent liabilities | <u>1,448,706</u> |

| | |
|-------------------|------------------|
| Total liabilities | <u>3,309,334</u> |
|-------------------|------------------|

NET ASSETS

| | |
|---|---------------------|
| Invested in capital assets, net of related debt | 4,707,527 |
| Restricted for debt service | 12,036 |
| Unrestricted | 4,770,304 |
| Total net assets | <u>\$ 9,489,867</u> |

The accompanying notes are an integral part of the basic financial statements.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Statement of Activities
For the Year Ended June 30, 2008

Expenses:

Public safety:

| | |
|--|-------------------|
| Personal services and related benefits | \$ 9,841,669 |
| Operating services | 2,881,948 |
| Operations and maintenance | 3,735,962 |
| Travel | 4,134 |
| Interest expense | <u>98,000</u> |
| Total expenses | <u>16,561,713</u> |

Program revenues:

| | |
|------------------------------------|------------------|
| Fines, forfeitures, and other fees | 2,987,615 |
| Operating grants and contributions | <u>291,782</u> |
| Total program revenues | <u>3,279,397</u> |

| | |
|---------------------|---------------------|
| Net program expense | <u>(13,282,316)</u> |
|---------------------|---------------------|

General revenues:

| | |
|---|-------------------|
| Property taxes, levied for general purposes | 9,082,154 |
| Sales taxes | 2,675,274 |
| State sources | 1,979,508 |
| Interest and investment earnings | 285,117 |
| Miscellaneous | <u>305,439</u> |
| Total general revenues | <u>14,327,492</u> |

| | |
|----------------------|-----------|
| Change in net assets | 1,045,176 |
|----------------------|-----------|

| | |
|----------------------|------------------|
| Beginning net assets | <u>8,444,691</u> |
|----------------------|------------------|

| | |
|-------------------|---------------------|
| Ending net assets | <u>\$ 9,489,867</u> |
|-------------------|---------------------|

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

MAJOR FUNDS

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Debt Service Fund

The Debt Service Fund is used to account for the payment of principal, interest and related costs of the Certificate of Indebtedness, Series 2002.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Balance Sheet
Governmental Funds
June 30, 2008

| | General | Debt Service Fund | Total |
|--|---------------------|-------------------------|---------------------|
| ASSETS | | | |
| Cash and interest-bearing deposits | \$ 4,847,866 | \$ 167,036 | \$ 5,014,902 |
| Prepaid items | 179,350 | - | 179,350 |
| Accrued interest receivable | 1,616 | - | 1,616 |
| Due from other governmental units and others | 1,259,006 | - | 1,259,006 |
| Inventory | 5,462 | - | 5,462 |
| Total assets | <u>\$ 6,293,300</u> | <u>\$ 167,036</u> | <u>\$ 6,460,336</u> |
| LIABILITIES AND FUND EQUITY | | | |
| Liabilities: | | | |
| Accounts payable | \$ 355,240 | \$ - | \$ 355,240 |
| Estimated claims payable | 427,489 | - | 427,489 |
| Other accrued liabilities | 300,822 | - | 300,822 |
| Due to others | 95,910 | - | 95,910 |
| Total liabilities | <u>1,179,461</u> | <u>-</u> | <u>1,179,461</u> |
| Fund balances - | | | |
| Reserved for prepaid items | 179,350 | - | 179,350 |
| Reserved for inventory | 5,462 | - | 5,462 |
| Reserved for debt service | - | 167,036 | 167,036 |
| Unreserved, undesignated | 4,929,027 | - | 4,929,027 |
| Total fund balance | <u>5,113,839</u> | <u>167,036</u> | <u>5,280,875</u> |
| Total liabilities and fund balance | <u>\$ 6,293,300</u> | <u>\$ 167,036</u> | <u>\$ 6,460,336</u> |

The accompanying notes are an integral part of the basic financial statements.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2008**

Total fund balances for governmental funds at June 30, 2008 \$ 5,280,875

Total net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

| | | |
|---|---------------|-----------|
| Land | \$ 158,500 | |
| Buildings and improvements, net of \$1,119,407 accumulated depreciation | 2,666,131 | |
| Radios, equipment and vehicles, net of \$4,741,627 accumulated depreciation | 3,415,408 | |
| Construction in progress | <u>98,829</u> | 6,338,868 |

General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds. This debt is:

| | | |
|-----------------------------|----------------|--------------------|
| Compensated absence payable | \$ 343,536 | |
| Capital lease payable | 1,236,340 | |
| Bonds payable | <u>550,000</u> | <u>(2,129,876)</u> |

Total net assets of governmental activities at June 30, 2008 \$ 9,489,867

The accompanying notes are an integral part of the basic financial statements.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended June 30, 2008

| | General | Debt Service Fund | Total |
|---|---------------------|-------------------------|---------------------|
| Revenues: | | | |
| Taxes | \$ 11,757,428 | \$ - | \$ 11,757,428 |
| Intergovernmental | 2,271,290 | - | 2,271,290 |
| Fees, charges, and commissions for services | 2,987,615 | - | 2,987,615 |
| Interest income | 281,349 | 3,768 | 285,117 |
| Miscellaneous | 305,439 | - | 305,439 |
| Total revenues | <u>17,603,121</u> | <u>3,768</u> | <u>17,606,889</u> |
| Expenditures: | | | |
| Current - | | | |
| Public safety: | | | |
| Personal services and related benefits | 9,831,804 | - | 9,831,804 |
| Operating services | 2,881,948 | - | 2,881,948 |
| Operations and maintenance | 2,990,655 | - | 2,990,655 |
| Travel | 4,134 | - | 4,134 |
| Capital outlay | 999,248 | - | 999,248 |
| Debt service - | | | |
| Principal | 166,256 | 150,000 | 316,256 |
| Interest and fiscal charges | 75,846 | 22,154 | 98,000 |
| Total expenditures | <u>16,949,891</u> | <u>172,154</u> | <u>17,122,045</u> |
| Excess (deficiency) of revenues over expenditures | <u>653,230</u> | <u>(168,386)</u> | <u>484,844</u> |
| Other financing sources (uses): | | | |
| Operating transfers in | - | 169,050 | 169,050 |
| Operating transfers out | (169,050) | - | (169,050) |
| Total other financing sources (uses) | <u>(169,050)</u> | <u>169,050</u> | <u>-</u> |
| Excess of revenues and other sources over expenditures and other uses | 484,180 | 664 | 484,844 |
| Fund balances, beginning | <u>4,629,659</u> | <u>166,372</u> | <u>4,796,031</u> |
| Fund balances, ending | <u>\$ 5,113,839</u> | <u>\$ 167,036</u> | <u>\$ 5,280,875</u> |

The accompanying notes are an integral part of the basic financial statements.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2008

| | |
|--|------------|
| Total net change in fund balances at June 30, 2008 per Statement of Revenues, Expenditures and Changes in Fund Balances | \$ 484,844 |
|--|------------|

The change in net assets reported for governmental activities in the
statement of activities is different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives and reported as depreciation expense.

| | | |
|--|------------------|---------|
| Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances | \$ 999,249 | |
| Depreciation expense for the year ended June 30, 2008 | <u>(753,305)</u> | 245,944 |

Governmental funds record long-term debt principal payments in the
Statement of Revenues, Expenditures and Changes in Fund Balances as
opposed to recording the principal payments in the Statement of Net Assets.

| | |
|--|---------|
| Principal debt payments for the year ended June 30, 2008 | 150,000 |
|--|---------|

Governmental funds record the net change in compensated
absence payable in the General Long Term Debt Account Group as
opposed to recording this activity in the fund financial statements.
However, in the statement of activities, the net change is reflected in
the ending balance of the compensated absence payable account.

| | |
|--|---------|
| | (9,865) |
|--|---------|

| | |
|---|----------------|
| Capital lease payments for the year ended June 30, 2008 | <u>174,253</u> |
|---|----------------|

| | |
|---|---------------------|
| Total change in net assets at June 30, 2008 per Statement of Activities | <u>\$ 1,045,176</u> |
|---|---------------------|

The accompanying notes are an integral part of the basic financial statements.

FUND DESCRIPTIONS - FIDUCIARY FUNDS

AGENCY FUNDS

All of these funds are reflected in the totals of the agency funds presented in the statement of fiduciary net assets.

Civil Fund

The Civil Fund was established to account for funds held in connection with civil suits, Sheriff's sales, and garnishments and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Tax Collector Fund

The Tax Collector Fund was established per Article V, Section 27 of the Louisiana Constitution of 1974, which provides that the sheriff will serve as the collector of state and parish taxes and fees. The Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

Prison Inmate Fund

The Prison Inmate Fund is used to account for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates.

Bond Fund

The Bond Fund is used to account for the collection of bonds, fines, and costs and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Community Relations Fund

The Community Relations Fund is used to account for private donations used for scholarships and other activities of the high school students in the community that participate in the Parish Area Students Systematically Eliminating Drugs Program.

Inmate Work Release Fund

To account for funds earned by inmates through a work release program that will benefit the participant as he makes the transition back into society as a responsible adult.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2008

Assets

| | |
|---------------------------|--------------------|
| Cash and cash equivalents | <u>\$3,013,071</u> |
|---------------------------|--------------------|

Liabilities

| | |
|------------------------|--------------------|
| Held for taxing bodies | <u>\$3,013,071</u> |
|------------------------|--------------------|

The accompanying notes are an integral part of the basic financial statements.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera.

As the chief law enforcement officer of the parish, the Sheriff is responsible for enforcing state and local laws, ordinances, et cetera, within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols, investigations, et cetera, and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, the Sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

The accompanying financial statements of the St. John the Baptist Parish Sheriff (Sheriff) have been prepared in conformity with generally accepted accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

The accounting and reporting policies of the Sheriff conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, account groups, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish council as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish council, parish school board, and other independently

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

elected parish officials are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish Sheriff.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity, except the fiduciary funds. The Sheriff has no business-type activities.

The statement of activities presents a comparison between program revenues of the Sheriff and the cost of the function. Program revenues are derived directly from Sheriff users as a fee for services. Revenues that are not classified as program revenues, including taxes, are presented as general revenues. Indirect expenses are allocated proportionately among the various functions. Internal activity is eliminated.

Fund Financial Statements

The accounts of the Sheriff are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Sheriff (with the exception of fiduciary funds) are all classified as governmental. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Sheriff or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

One fund of the Sheriff is considered to be a major fund and is described below:
General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for the operations of the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include one fourth (1/4) cent sales tax, state revenue sharing, state supplemental pay for deputies, civil and criminal fees, and fees for court attendance and maintenance of prisoners. General operating expenditures are paid from this fund.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

The following funds are nonmajor funds:

Debt Service Fund

This fund is used to account for the payment of principal, interest and related costs of the Certificate of Indebtedness, Series 2002.

Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The individual agency funds used by the Sheriff for the year ended June 30, 2008 are as follows:

Civil Fund – To account for funds held in connection with civil suits, Sheriff's sales and garnishments and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Tax Collector Fund - Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

Prison Inmate Fund – To account for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates.

Bond Fund – To account for the collection of bonds, fines, and costs and payment of these collections to the sheriff's General Fund and other recipients in accordance with applicable laws.

Community Relations Fund – To account for private donations used for scholarships and other activities of the high school students in the community that participate in the Parish Area Students Systematically Eliminating Drugs Program.

Inmate Work Release Fund – To account for funds earned by inmates through a work release program that will benefit the participant as he makes the transition back into society as a responsible adult.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

In the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

In the fund financial statements, the current financial resources measurement focus is used. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 “Accounting and Financial Reporting for Nonexchange Transactions.”

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within 60 days of the end of the fiscal year. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. When both restricted and unrestricted resources are available for use, it is the Sheriff’s policy to use restricted resources first, then unrestricted resources as they are needed.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

D. Assets, Liabilities and Equity

Cash, interest-bearing deposits, and investments

For purposes of the Statement of Net Assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Sheriff.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received.

Capital Assets

The accounting treatment for building, improvements and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. Interest costs are not capitalized as they relate to fixed assets. The Sheriff's threshold for capitalization is \$1,000.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

| | |
|----------------------------|-------------|
| Buildings and improvements | 20-40 years |
| Equipment and vehicles | 3-10 years |

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

Long-term debt

All long-term debt to be repaid from governmental funds is reported as liabilities in the government-wide statements. The long-term debt consists of both bonds payable and capital lease payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt is reported as other financing sources and payment of principal and interest reported as expenditures.

Compensated Absences

Employees of the Sheriff's office employed from zero to 6 years earn from 6 to 12 days of vacation leave each year. Employees earn an additional 8 hours of vacation leave for each year of service in excess of 6 years. Employees also earn from 6 to 20 days of sick leave each year. Vacation and sick leave in excess of 21 and 20 days, respectively, is forfeited on June 30 of each year. Vacation leave up to 21 days is paid upon termination, and sick leave earned by employees accumulates as noted above, but does not vest, and is forfeited upon termination or retirement.

At June 30, 2008, the Sheriff has accumulated and vested \$343,536 in vacation leave privileges required to be accrued in accordance with GASB Codification Section C60. In the government-wide statements, amounts of accumulated or vested vacation that are not expected to be liquidated with expendable available financial resources are recorded as long-term debt.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Sheriff has restricted net assets for the payment of the bonds payable reflected in the debt service fund.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

E. Budget and Budgetary Accounting

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The chief administrative deputy prepares a proposed budget and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2008 are recorded as prepaid items. Prepaid items that existed at June 30, 2008 were prepaid insurance.

G. Inventory

The inventory is stated at cost, which is determined by the first-in, first-out method.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2008, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$8,103,582 of which \$3,013,071 is attributable to fiduciary funds, which is not presented in the statement of net assets.

These deposits are stated at cost, which approximates market. Custodial credit risk is the risk that in the event of a bank failure, the Sheriff's deposits may not be returned to it. The Sheriff by state law must ensure that deposits (or the resulting bank balances) are secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2008, are secured as follows:

| | |
|--|---------------------|
| Bank Balances | <u>\$ 8,328,400</u> |
| Insured | \$ 319,303 |
| Uninsured and collateral held by pledging bank not in Sheriff's name | 7,872,278 |
| Uninsured and uncollateralized | <u>136,819</u> |
| Total | <u>\$ 8,328,400</u> |

(3) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied by the parish government in June and are actually billed to the taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of St. John the Baptist Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2008, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 33.16 mills on property with assessed valuations totaling \$274,899,095.

Total law enforcement taxes levied during 2008 were \$9,073,369. Taxes receivable in the General Fund at June 30, 2008, were \$0.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

(4) Due From Other Governmental Units and Others

Amounts due from other governmental units and others at June 30, 2008, consist of the following:

| | |
|------------------------------------|-------------------------|
| Maintenance of prisoners | \$ 263,197 |
| Reimbursement for salaries | 24,812 |
| Commissions on video poker | 146,120 |
| Court attendance, civil fees, etc. | 65,627 |
| Sales tax revenue | 618,281 |
| Supplemental pay | <u>65,357</u> |
| Total | <u>\$ 1,183,394</u> |

(5) Capital Assets

Capital asset activity for the year ended June 30, 2008 was as follows:

| | <u>7/1/2007</u> | <u>Additions</u> | <u>Deletions</u> | <u>6/30/2008</u> |
|---|---------------------|-------------------|------------------|---------------------|
| Governmental activities: | | | | |
| Assets not being depreciated: | | | | |
| Land | \$ 158,500 | \$ - | \$ - | \$ 158,500 |
| Construction in progress | 14,000 | 84,829 | - | 98,829 |
| Assets being depreciated: | | | | |
| Building | 3,743,038 | 42,500 | - | 3,785,538 |
| Radios (capital lease) | 1,886,823 | - | - | 1,886,823 |
| Equipment and vehicles | <u>5,398,292</u> | <u>871,920</u> | <u>-</u> | <u>6,270,212</u> |
| Totals | <u>11,200,653</u> | <u>999,249</u> | <u>-</u> | <u>12,199,902</u> |
| Less accumulated depreciation | | | | |
| Building | (1,019,874) | (99,533) | - | (1,119,407) |
| Radios (capital lease) | (393,088) | (188,682) | - | (581,770) |
| Equipment and vehicles | <u>(3,694,766)</u> | <u>(465,091)</u> | <u>-</u> | <u>(4,159,857)</u> |
| Total accumulated depreciation | <u>(5,107,728)</u> | <u>(753,306)</u> | <u>-</u> | <u>(5,861,034)</u> |
| Governmental activities, capital assets, net | <u>\$ 6,092,925</u> | <u>\$ 245,943</u> | <u>\$ -</u> | <u>\$ 6,338,868</u> |

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

(6) Pension Plans

Plan Description: The St. John the Baptist Parish Sheriff contributes to the Sheriffs' Pension and Relief Fund, a cost-sharing multiple employer defined benefit pension plan administered by the Sheriff's Pension and Relief Fund, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to sheriff and deputy sheriff members throughout the State of Louisiana. The Sheriffs' Pension and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Sheriffs' Pension and Relief Fund, P.O. Box 3163, Monroe, Louisiana 71210-3136.

Funding Policy: Plan members are required to contribute 10% of their annual covered salary and the St. John the Baptist Parish Sheriff is required to contribute at an actuarially determined rate. The rate was 11.0% of annual covered payroll. The contribution requirements of plan members and the St. John the Baptist Parish Sheriff are established and may be amended by the Sheriffs' Pension and Relief Fund. The St. John the Baptist Parish Sheriff's contributions to the Retirement System for the years ended June 30, 2008, 2007 and 2006 were \$914,107, \$853,137, and \$804,457, respectively.

(7) Changes in Agency Fund Balances

A summary of changes in agency fund balances due to taxing bodies and others and due to prisoners follows:

| | Civil Fund | Tax Collector Fund | Prison Inmate Fund | Bond Fund | Community Relations Fund | Inmate Work Release Fund |
|-------------------------------|-------------------|--------------------------|--------------------------|---------------------|--------------------------------|--------------------------------|
| Balances, June 30, 2007 | \$ 212,607 | \$ 217,304 | \$ 88,333 | \$ 2,265,847 | \$ 11,606 | \$ 39,772 |
| Additions | 1,504,084 | 38,571,078 | 510,137 | 2,846,496 | 1,001 | 148,871 |
| Reductions | (1,458,119) | (38,590,550) | (511,240) | (2,653,468) | (3,097) | (187,591) |
| Balances, June 30, 2008 | <u>\$ 258,572</u> | <u>\$ 197,832</u> | <u>\$ 87,230</u> | <u>\$ 2,458,875</u> | <u>\$ 9,510</u> | <u>\$ 1,052</u> |

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

(8) Long-Term Debt

The following is a summary of long-term debt transactions of the Sheriff for the year ended June 30, 2008:

| | Capital Lease | Bonds Payable | Compensated Absences |
|-------------------------------|---------------------|-------------------|-------------------------|
| Long-term debt, June 30, 2007 | \$ 1,410,595 | \$ 700,000 | \$ 333,671 |
| Debt assumed | - | - | 254,848 |
| Debt retired | (174,254) | (150,000) | (244,983) |
| Long-term debt, June 30, 2008 | <u>\$ 1,236,341</u> | <u>\$ 550,000</u> | <u>\$ 343,536</u> |

Long term debt at June 30, 2008 is comprised of the following:

\$1,245,000 2002 Certificate of Indebtedness due in annual installments of \$25,000 to \$175,000; interest rates of 2.25 percent to 4.2 percent; full maturity at September, 2012; secured by ad valorem tax revenue.

\$ 550,000

\$1,886,822 capital lease due in annual installments of \$242,103; interest rate of 4.81%; full maturity at June, 2014; proceeds used to purchase radio equipment

1,236,341

Total

\$ 1,786,341

The annual requirements to amortize all debt outstanding at June 30, 2008 are as follows:

| Year Ending 30-Jun | Principal | Interest | Total |
|-----------------------|---------------------|-------------------|---------------------|
| 2009 | \$ 337,635 | \$ 76,673 | \$ 414,308 |
| 2010 | 361,419 | 62,313 | 423,732 |
| 2011 | 375,627 | 46,807 | 422,434 |
| 2012 | 235,277 | 33,376 | 268,653 |
| 2013 | 245,391 | 22,237 | 267,628 |
| 2014 | <u>230,992</u> | <u>11,110</u> | <u>242,102</u> |
| Total | <u>\$ 1,786,341</u> | <u>\$ 252,516</u> | <u>\$ 2,038,857</u> |

The debt service fund has historically paid the debt payments, whereas the general fund has historically funded the compensated absences.

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

(9) Litigation and Claims

At June 30, 2008, the Sheriff is involved in several lawsuits claiming damages. Management is of the opinion that insurance coverage should be adequate to cover any monetary damages on most lawsuits. Therefore, no liability has been accrued at June 30, 2008.

(10) Lease Obligations

The Sheriff is currently entered into one operating lease agreement for the lease of office space. The agreement was renewed in July of 2007 for a two year term with monthly payments of \$1,950. The minimum lease payments are as follows:

| Year Ending 30-Jun | |
|-----------------------|------------------|
| 2009 | \$ 23,400 |
| Total | <u>\$ 23,400</u> |

Rental expense for the year ended June 30, 2008 was \$33,184.

(11) Risk Management

The Sheriff is exposed to risks of loss in the areas of health care, property hazards and workers' compensation. These risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year, nor have settlements exceeded coverage for the past three years.

Effective November 1, 1997, the Sheriff established a self-insurance plan, which is administered by Gallagher Basset Services, to account for and finance its risk of loss for auto and professional liability. The administrator calculates the estimated amount of the liability on each claim based on facts and circumstances of said claim. Under this plan, the Sheriff has a claims made policy with St. Paul Insurance Company. The Sheriff is liable for claims up to \$50,000 per covered employee or dependent. The aggregate maximum that the Sheriff is liable for is \$350,000. The amount of liability recorded at June 30, 2008 is \$427,488, which is presented as estimated claims payable on the balance sheet. These claims have not been discounted.

A reconciliation of changes in liabilities is as follows:

| | Balance at Beginning of Fiscal Year | Claims and Changes in Estimates | Benefit Payments and Claims | Balance at Fiscal Year-End |
|-----------|---|---------------------------------------|-----------------------------------|----------------------------------|
| 2006-2007 | \$ 204,529 | \$ 273,576 | \$ (173,095) | \$ 305,010 |
| 2007-2008 | 305,010 | 407,946 | (285,468) | 427,488 |

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Notes to Basic Financial Statements (continued)

(12) Interfund Transfers

Interfund transfers consisted of the following at June 30, 2008:

| | <u>Interfund Transfers In</u> | <u>Interfund Transfers Out</u> |
|---------------------------|-----------------------------------|------------------------------------|
| Major Funds: | | |
| Governmental Funds: | | |
| General Fund | \$ - | \$ 169,050 |
| Other Governmental Funds: | | |
| Debt Service | <u>169,050</u> | <u>-</u> |
| Total | <u>\$ 169,050</u> | <u>\$ 169,050</u> |

The interfund transfer between the general fund and the debt service fund is related to the payment of both principal and interest on the Certificate of Indebtedness, Series 2002.

(13) Postretirement Health Care and Life Insurance Benefits

The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Sheriff's employees become eligible for those benefits if they reach normal retirement age while working for the Sheriff. These benefits for the 43 retirees and similar benefits for the 250 active employees are provided through a commercial insurance plan. The Sheriff recognizes the cost of providing the benefits for retirees as an expenditure when the monthly premiums are due. For the year ended June 30, 2008 the amount of retiree benefit expenditures (net of participant contributions of \$31,968) approximated \$250,000.

In June 2004, The Governmental Accounting Standards Board issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post-employment Benefit Plans Other Than Pension Plans." The Sheriff is required to implement this standard for the year ended June 30, 2010. The Sheriff has not yet determined the full impact that the adoption will have on the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2008

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| Revenues: | | | | |
| Taxes | \$ 10,550,000 | \$ 11,450,000 | \$ 11,757,428 | \$ 307,428 |
| Intergovernmental | 1,981,000 | 2,102,342 | 2,271,290 | 168,948 |
| Fees, charges, and commissions for services | 2,633,000 | 2,804,000 | 2,987,615 | 183,615 |
| Interest Income | 260,000 | 235,000 | 281,349 | 46,349 |
| Miscellaneous | 190,400 | 361,400 | 305,439 | (55,961) |
| Total revenues | <u>15,614,400</u> | <u>16,952,742</u> | <u>17,603,121</u> | <u>650,379</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public safety: | | | | |
| Personal services and related benefits | 9,662,260 | 9,754,318 | 9,831,804 | (77,486) |
| Operating services | 2,640,000 | 2,830,000 | 2,881,948 | (51,948) |
| Operations and maintenance | 2,567,500 | 2,839,300 | 2,990,655 | (151,355) |
| Travel | - | - | 4,134 | (4,134) |
| Debt service | | | | |
| Principal | 175,000 | 175,000 | 166,256 | 8,744 |
| Interest and fiscal charges | 75,000 | 75,000 | 75,846 | (846) |
| Capital outlay | <u>452,000</u> | <u>1,023,500</u> | <u>999,248</u> | <u>24,252</u> |
| Total expenditures | <u>15,571,760</u> | <u>16,697,118</u> | <u>16,949,891</u> | <u>(252,773)</u> |
| Excess (deficiency) of revenues over expenditures | <u>42,640</u> | <u>255,624</u> | <u>653,230</u> | <u>397,606</u> |
| Other financing sources (uses): | | | | |
| Operating transfers out | <u>(168,125)</u> | <u>(169,050)</u> | <u>(169,050)</u> | <u>-</u> |
| Total other financing uses | <u>(168,125)</u> | <u>(169,050)</u> | <u>(169,050)</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures and other uses | <u>(125,485)</u> | <u>86,574</u> | <u>484,180</u> | <u>397,606</u> |
| Fund balance, beginning | <u>4,286,009</u> | <u>4,629,659</u> | <u>4,629,659</u> | <u>-</u> |
| Fund balance, ending | <u>\$ 4,160,524</u> | <u>\$ 4,716,233</u> | <u>\$ 5,113,839</u> | <u>\$ 397,606</u> |

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended June 30, 2008

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------|---------------------|---------------------|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Ad valorem | \$ 8,600,000 | \$ 9,075,000 | \$ 9,082,154 | \$ 7,154 |
| Sales tax | 1,950,000 | 2,375,000 | 2,675,274 | 300,274 |
| Total taxes | <u>10,550,000</u> | <u>11,450,000</u> | <u>11,757,428</u> | <u>307,428</u> |
| Intergovernmental: | | | | |
| Federal grants | 55,000 | 90,000 | 164,712 | 74,712 |
| State grants | 35,000 | 81,000 | 127,070 | 46,070 |
| State revenue sharing | 386,000 | 427,342 | 427,342 | - |
| State supplemental pay | 805,000 | 752,000 | 755,654 | 3,654 |
| Maintenance crews | 100,000 | 150,000 | 150,000 | - |
| Video poker | 600,000 | 602,000 | 646,512 | 44,512 |
| Total intergovernmental | <u>1,981,000</u> | <u>2,102,342</u> | <u>2,271,290</u> | <u>168,948</u> |
| Fees, charges, and commissions for services: | | | | |
| Civil and criminal fees | 666,000 | 781,000 | 816,194 | 35,194 |
| Court attendance | 12,000 | 12,000 | 12,650 | 650 |
| Prisoner transportation | 10,000 | 11,000 | 15,428 | 4,428 |
| Feeding and keeping prisoners | 1,435,000 | 1,525,000 | 1,587,392 | 62,392 |
| Inmate work program | 160,000 | 160,000 | 231,604 | 71,604 |
| Employment program | 350,000 | 315,000 | 324,347 | 9,347 |
| Total fees, charges, and commissions for services | <u>2,633,000</u> | <u>2,804,000</u> | <u>2,987,615</u> | <u>183,615</u> |
| Interest income | 260,000 | 235,000 | 281,349 | 46,349 |
| Miscellaneous | 190,400 | 361,400 | 305,439 | (55,961) |
| Total revenues | <u>\$ 15,614,400</u> | <u>\$16,952,742</u> | <u>\$17,603,121</u> | <u>\$ 650,379</u> |

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2008

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|------------------|------------------|---|
| Current: | | | | |
| Public Safety | | | | |
| Personal services and related benefits: | | | | |
| Sheriff salary | \$ 104,782 | \$ 112,109 | \$ 115,920 | \$ (3,811) |
| Deputies' salaries | 8,450,000 | 8,500,000 | 8,557,588 | (57,588) |
| Other salaries | 52,000 | 65,000 | 67,056 | (2,056) |
| Pension and payroll taxes | 1,045,000 | 1,066,000 | 1,079,648 | (13,648) |
| Sheriff's expense allowance | 10,478 | 11,209 | 11,592 | (383) |
| Total personnel service and related benefits | <u>9,662,260</u> | <u>9,754,318</u> | <u>9,831,804</u> | <u>(77,486)</u> |
| Operating services: | | | | |
| Hospitalization insurance | 1,900,000 | 1,910,000 | 1,933,685 | (23,685) |
| Auto insurance | 500,000 | 550,000 | 543,710 | 6,290 |
| Other liability insurance | 240,000 | 370,000 | 404,553 | (34,553) |
| Total operating services | <u>2,640,000</u> | <u>2,830,000</u> | <u>2,881,948</u> | <u>(51,948)</u> |
| Operations and maintenance | | | | |
| Auto fuel and oil | 500,000 | 656,000 | 695,443 | (39,443) |
| Auto maintenance | 305,000 | 335,000 | 370,850 | (35,850) |
| Deputy uniforms, supplies, etc. | 280,000 | 260,000 | 292,216 | (32,216) |
| Office supplies and expenses | 230,000 | 250,000 | 198,190 | 51,810 |
| Computer maintenance and supplies | 120,000 | 131,000 | 179,916 | (48,916) |
| Telephone and utilities | 250,000 | 256,000 | 255,397 | 603 |
| Prisoner feeding and maintenance | 601,000 | 618,500 | 675,389 | (56,889) |
| Other professional fees | 55,000 | 55,000 | 51,095 | 3,905 |
| Criminal investigation expense | 50,000 | 50,000 | 46,668 | 3,332 |
| Leases | 32,000 | 35,000 | 33,183 | 1,817 |
| Other | 144,500 | 192,800 | 192,308 | 492 |
| Total operations and maintenance | <u>2,567,500</u> | <u>2,839,300</u> | <u>2,990,655</u> | <u>(151,355)</u> |

(continued)

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended June 30, 2008

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|-----------------------------|--------------------------|--------------------------|--------------------------|---|
| Travel | - | - | 4,134 | (4,134) |
| Debt service: | | | | |
| Principal | 175,000 | 175,000 | 166,256 | 8,744 |
| Interest and fiscal charges | 75,000 | 75,000 | 75,846 | (846) |
| Total debt service | 250,000 | 250,000 | 242,102 | 7,898 |
| Capital outlay: | | | | |
| Autos | 200,000 | 630,000 | 600,574 | 29,426 |
| Deputy and other equipment | 100,000 | 165,000 | 276,497 | (111,497) |
| Office equipment | 2,000 | 3,500 | 14,513 | (11,013) |
| Facility improvements | 100,000 | 185,000 | 84,829 | 100,171 |
| Computer | 50,000 | 40,000 | 22,835 | 17,165 |
| Total capital outlay | 452,000 | 1,023,500 | 999,248 | 24,252 |
| Total expenditures | <u>\$ 15,571,760</u> | <u>\$ 16,697,118</u> | <u>\$ 16,949,891</u> | <u>\$ (252,773)</u> |

**INTERNAL CONTROL
COMPLIANCE
AND
OTHER MATTERS**

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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The Honorable Wayne Jones
St. John the Baptist Parish Sheriff
LaPlace, Louisiana

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the St. John the Baptist Parish Sheriff, as of and for the year ended June 30, 2008, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated September 25, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the St. John the Baptist Parish Sheriff's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control over financial reporting. Accordingly we do not express an opinion on the effectiveness of the Sheriff's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Sheriff's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the sheriff's internal control. We consider the control deficiency described in the accompanying schedule of prior and current year findings and management's corrective action plan as item 08-1 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the sheriff's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the significant deficiency identified as item 08-1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. John the Baptist Parish Sheriff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards and which are included in the accompanying schedule of prior and current year audit findings and management's corrective action plan as items 08 – 2 and 08-03.

The St. John the Baptist Parish Sheriff's responses to the findings identified in our audit are described in the accompanying schedule of prior and current year audit findings and management's corrective action plan. We did not audit the Sheriff's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
September 25, 2008

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Schedule of Prior and Current Year Findings and
Management's Corrective Action Plan
Year Ended June 30, 2008

Prior Year Findings

Internal Control over Financial Reporting:

07-1 Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Sheriff did not have adequate segregation of functions within the accounting system.

Status:

Unresolved. See item 08-1.

07-2 Inadequate Internal Controls over Payroll

Finding:

The Sheriff's Department does not have adequate internal controls over payroll. One person is basically responsible for the entire payroll process. Dual controls and/or compensating controls need to be implemented.

Status:

Resolved.

Compliance with Laws and Regulations:

07-3 Noncompliance with Louisiana Public Bid Law

Finding:

The Sheriff's Department did not comply with the Louisiana Public Bid Law in two instances. Vehicles were purchased on two different occasions totaling approximately \$48,000 and \$62,000, respectively. These purchases should have been advertised and let for bid in accordance with Louisiana Revised Statute 38:2212.

Status:

Unresolved. See item 08-2.

(continued)

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Schedule of Prior and Current Year Findings and
Management's Corrective Action Plan (Continued)
Year Ended June 30, 2008

Management Letter Items:

There are no management letter items at June 30, 2007.

Current Year Findings

Internal Control over Financial Reporting:

08-1 Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Sheriff did not have adequate segregation of functions within the accounting system.

Management's Corrective Action Plan:

Sheriff Wayne Jones has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

Compliance with Laws and Regulations:

08-2 Noncompliance with Louisiana Public Bid Law

Finding:

There were a couple of instances where purchases were not made in accordance with the Louisiana Public Bid Law. These purchases should have been advertised and let for bid in accordance with Louisiana Revised Statute 38:2212.

Management's Corrective Action Plan:

The Sheriff's Office will better monitor all purchases to ensure that all purchases are made in compliance with the Louisiana Public Bid Law. The Sheriff's Office will advertise and let for bid any and all future purchases in accordance with Louisiana Revised Statute 38:2212. Mr. Jeffrey Clement, Chief Civil Deputy, is responsible for immediate implementation of the plan.

(continued)

ST. JOHN THE BAPTIST PARISH SHERIFF
LaPlace, Louisiana

Schedule of Prior and Current Year Findings and
Management's Corrective Action Plan (Continued)
Year Ended June 30, 2008

08-3 Noncompliance with Louisiana Fiscal Agency and Cash Management Laws

Finding:

The St. John the Baptist Parish Sheriff did not comply with the Louisiana Revised Statute (LA-R.S.) 39:1225. This statute states that the amount of funds on deposit with financial institutions must, at all times, be one hundred percent secured. The Sheriff had inadequate security at one financial institution at June 30, 2008 in the amount of approximately \$137,000

Management's Corrective Action Plan:

While reviewing all deposits at end of July 2008, the Sheriff's Office noticed that the deposits with one financial institution were inadequately secured. The Sheriff's Office informed the financial institution and the inadequacy was corrected in August 2008. The Sheriff's Office will make sure all future deposits are secured at one hundred percent. Mr. Jeffrey Clement, Chief Civil Deputy, is responsible for immediate implementation of the plan.

Management Letter Items:

There are no management letter items at June 30, 2008.